STATE OF CALIFORNIA

BUSINESS, TRANSPORTATION AND HOUSING AGENCY DEPARTMENT OF CORPORATIONS

TO: William A. Sassman II InTex, LLC Formulating Insurance Agency, LLC 2386 Fair Oaks Blvd., Suite 111 Sacramento, California 95825

DESIST AND REFRAIN ORDER

(For violations of section 25110 and 25401 of the Corporations Code)

The California Corporations Commissioner finds that:

- 1. At all relevant times, William A. Sassman II is a licensed insurance agent of the state of California working with Formulating Insurance Agency, LLC a business entity located at 2386 Fair Oaks Blvd., Suite 111, Sacramento, California 95825.
- 2. William A. Sassman II is the owner of InTex, LLC a California limited liability company formally located at 2443 Fair Oaks Blvd., Suite 320, Sacramento, California 95825.
- 3. Beginning in or about January 2002, William A. Sassman II, Formulating Insurance Agency, LLC, and InTex, LLC offered or sold investments, in the State of California in the form of investment contracts in InTex, LLC or Formulating Insurance Agency, LLC. The purported purpose of the offerings in Formulating Insurance Agency, LLC was for the "governing and servicing of activities related to the investment of stocks and bonds." The purpose of the InTex, LLC offering was to sell membership interests in the company for the manufacturing of plastic computer hardware.

4. William A. Sassman II and Formulating Insurance Agency, LLC claim to offer financial
planning, estate planning and insurance services to elderly and retired Californians. Due to the
representations made by William A. Sassman II, Formulating Insurance Agency LLC, and InText
LLC, elderly Californians invested approximately \$400,114.00 in InTex, LLC or Formulating
Insurance Agency, LLC. In some cases the investor cashed out annuities or rolled over other
investments into Formulating Insurance Agency, LLC.

5. William A. Sassman II, Formulating Insurance Agency, LLC, and InTex, LLC represented to investors that they could get 9-11% return on their investments in Formulating Insurance Agency, LLC or InTex, LLC. However, many investors saw no returns at all.

6. These securities were offered or sold in this state in issuer transactions. The Department of Corporations has not issued a permit or other form of qualification authorizing any person to offer or sell these securities in this state.

Based upon the foregoing findings, the California Corporations Commissioner is of the opinion that the investment contracts in Formulating Insurance Agency, LLC and InTex, LLC are securities subject to qualification under the California Corporate Securities Law of 1968 and are being or have been offered or sold without being qualified in violation of Corporations Code section 25110. Pursuant to section 25532 of the Corporate Securities Law of 1968, William A. Sassman II, Formulating Insurance Agency, LLC and InTex, LLC are hereby ordered to desist and refrain from the further offer or sale of securities in the State of California, including but not limited to investment contracts, unless and until qualification has been made under the law or unless exempt.

Further, the California Corporations Commissioner is of the opinion that the securities representing investment contracts in Formulating Insurance Agency, LLC or InTex, LLC were offered or sold in this state by means of written or oral communications which included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, in

violation of section 25401 of the Corporate Securities Law of 1968. Pursuant to section 25532 of the
Corporate Securities Law of 1968, William A. Sassman II, Formulating Insurance Agency, LLC, and
InTex, LLC are hereby ordered to desist and refrain from offering or selling or buying or offering to
buy any security in the State of California, including but not limited to investment contracts, by
means of any written or oral communication which includes an untrue statement of a material fact or
omits to state a material fact necessary in order to make the statements made, in the light of the
circumstances under which they were made, not misleading.
This Order is necessary, in the public interest, for the protection of investors and consistent
with the purposes, policies, and provisions of the Corporate Securities Law of 1968. This order shall
remain in full force and effect until further order of the California Corporations Commissioner.
Dated: February 21, 2006 Sacramento, California
WAYNE STRUMPFER Acting California Corporations Commissioner

By: ALAN S. WEINGER Acting Deputy Commissioner Enforcement Division